

STAND. COM. REP. NO.

761

Honolulu, Hawaii

FEB 11 , 2025

RE: H.B. No. 649
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Water & Land, to which was referred H.B. No. 649 entitled:

"A BILL FOR AN ACT RELATING TO SMALL BOAT HARBORS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Small Boat Harbor Commercial Vessel Special Fund, to be used for improvements that primarily benefit commercial vessels utilizing the State's small boat harbors;
- (2) Increase moorage fees for commercial vessels in small boat harbors; and
- (3) Authorize the issuance of general obligation bonds for repairs of various small boat harbors, with debt service to be paid from special funds.

Your Committee received testimony in opposition to this measure from the Maui Hotel and Lodging Association; Calypso Charters; Ocean Tourism Coalition; Body Glove Cruises; Sea Paradise Scuba Inc.; Sail Maui; Sailing Maui Inc.; Sea Quest Hawaii; Captain Andy's Sailing Adventures; Holo Holo Charters, Inc.; Maui Classic Charters; Outfitters Kauai Ltd; Explore Kauai

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Scuba, LLC; and numerous individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources and Department of Budget and Finance.

Your Committee finds that the State's small boat harbors are in need of significant repair. Your Committee further finds that increasing the fees charged to commercial vessels who moor in small boat harbors and allocating those fees to a special fund will enable the State to make badly needed improvements to the State's small boat harbor infrastructure.

Your Committee has amended this measure by:

- (1) Changing the percent of gross revenues a vessel used for commercial purposes must pay in lieu of a monthly moorage fee to an unspecified amount;
- (2) Changing the percent of total revenues collected from vessels used for commercial purposes from permitted moorings in a small boat harbor that are to be allocated to the Small Boat Harbor Commercial Vessel Special Fund to an unspecified amount;
- (3) Changing the general obligation bond issuance and appropriation allocations to unspecified amounts;
- (4) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

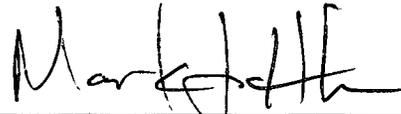
Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider increasing the percent of gross revenues paid by a commercial vessel in lieu of a monthly moorage fee to five percent, allocating forty percent of all revenues collected to the Small Boat Harbor Commercial Vessel Special Fund, and authorizing the issuance of general obligation bonds in the amount of \$32,000,000, with \$9,000,000 going to capital improvement projects at the Ala Wai small boat harbor, \$8,000,000 going to capital improvement projects at the Haleiwa small boat harbor, \$4,500,000 going to capital improvement projects at the Honokohau small boat harbor, \$6,000,000 going to capital improvement projects at the Maalaea



small boat harbor, and \$4,500,000 going to capital improvement projects at the Port Allen small boat harbor.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 649, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 649, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Water & Land,



MARK J. HASHEM, Chair



